

HELM

FINANCIAL CORPORATION

One Embarcadero Center • San Francisco, CA 94111

415/398-4510

FAX 415/398-4816

VIA TWO DAY AIR

March 20, 2001

RECORDATION NO. 23168-J FILED

APR 2 '01 11:58 AM

TS
SURFACE TRANSPORTATION BOARD

Mr. Vernon Williams
Surface Transportation Board
1925 K Street, NW
Washington, D.C. 20423-0001

Dear Mr. Williams:

Enclosed for filing with the Surface Transportation Board are four (4) originals of a Partial Termination. In connection with the recording of this Partial Termination, please note the following information:

Previous STB Filing: **Security Agreement** in connection with that certain **Revolving Credit and Term Loan Agreement** dated as of October 18, 2000, under Recordation No. **23168**, filed at the Surface Transportation Board of the Department of Transportation on October 18, 2000 at 2:43 p.m.

Secured Party:

Fleet National Bank
100 Federal Street
Boston, MA 02110

Debtors: (collectively)


Helm Holding Corporation
Helm Financial Corporation
Helm Locomotive Leasing Corporation
One Embarcadero Center, Suite 3700
San Francisco, CA 94111

A short summary of the document to appear in the index follows:

Partial Termination dated January 29, 2001, of the Security Agreement in connection with that certain Revolving Credit and Term Loan Agreement dated October 18, 2000 between Fleet National Bank as Secured Party and Helm (collectively) as Debtors terminating **twenty-five (25)** railcars from within the series **HATX 1030-1294 (ni)**.

Please file this Partial Termination as a secondary document and return **three (3)** STB stamped originals to me. If you have any questions, you may reach me at (415) 398-4510, ext. 338.

Yours truly,


Alison Drain
Document Administrator

/ad
enclosures(4)

RECEIVED
MAR 21 2001
MAIL
MANAGEMENT
STB

PARTIAL TERMINATION OF
SECURITY AGREEMENT

THIS PARTIAL TERMINATION OF SECURITY AGREEMENT ("Partial Termination") is dated as of January 29, 2001, by FLEET NATIONAL BANK, a national banking association ("Fleet") as the Agent for the Lenders (as defined in the Credit Agreement described below), for the benefit of HELM HOLDING CORPORATION, a California corporation, HELM FINANCIAL CORPORATION, a California corporation and HELM LOCOMOTIVE LEASING CORPORATION, a California corporation (collectively, "Helm").

1. Recitals. Helm owns the rail equipment bearing the Association of American Railroad reporting marks and numbers as described in Exhibit A attached hereto (the "Unit(s)"). Helm has granted a blanket security interest in all of its assets now owned or hereafter acquired (the "Collateral"), to Fleet upon the terms and conditions provided in that certain Security Agreement dated as of October 18, 2000, between Helm and Fleet (the "Security Agreement") as filed with the Surface Transportation Board of the Department of Transportation ("STB") on October 18, 2000 at 2:43 P.M. under Recordation No. 23168. The Security Agreement was executed in connection with that certain Revolving Credit and Term Loan Agreement dated as of October 18, 2000, among the Borrowers, Lenders and Agent as defined therein (the "Credit Agreement").

Helm intends to sell the Units to a third party and desires that such sale shall be free and clear of any lien or security interest of Fleet. Helm requests Fleet's consent to such sale of the Units and requests Fleet to terminate its lien and security interest in the Units.

2. Consent & Partial Termination. Fleet hereby consents to the sale of the Units by Helm. Fleet hereby forever terminates any and all liens and security interests in the Units granted to it under the Security Agreement. Such liens and security interests in the Units shall be forever terminated upon the filing of this Partial Termination with the STB, at which time all of Fleet's right, title and interest in and to the Units shall be null and void.

This Partial Termination shall have no effect on Fleet's lien and security interest in any other Collateral other than the Units and said lien and security interest in such other Collateral is hereby reaffirmed.

IN WITNESS WHEREOF, pursuant to due authority, Fleet has executed this Partial Termination of Security Agreement as of the date first above written.

FLEET NATIONAL BANK, as Agent

By: _____

Print Name: _____

ROBERT S. ALLEN
GROUP MANAGER

Its: _____

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APR 2 '01 11:58 AM

SURFACE TRANSPORTATION BOARD

CM

STATE OF MASSACHUSETTS)
) S.S.
COUNTY OF Suffolk)

On February 2, 2001, before me, Caryn Suffolkin,
personally appeared Robert S. Allen, Group Manager of
FLEET NATIONAL BANK

X personally known to me -OR-

_____ proved to me on the basis of satisfactory evidence

to be the person(s) whose name(s) is/are subscribed to the within instrument
and acknowledged to me that he/she/they executed the same in his/her/their
authorized capacity(ies), and that by his/her/their signature(s) on the
instrument the person(s), or the entity upon behalf of which the person(s)
acted, executed the instrument.

Witness my hand and official seal.

Caryn Suffolkin
SIGNATURE OF THE NOTARY
Commission expires 11/27/03

[Notarial Seal]

CM

EXHIBIT A

to the
Partial Termination of Security Agreement
dated as of January 29, 2001

Equipment Description:

Twenty-five (25), 4,000 cubic foot, 100-ton, flat bottom gondola railcars;
built by Thrall in 1977.

Unit Numbers:

1. HATX 1030
2. HATX 1053
3. HATX 1057
4. HATX 1066
5. HATX 1068
6. HATX 1094
7. HATX 1095
8. HATX 1111
9. HATX 1113
10. HATX 1135
11. HATX 1139
12. HATX 1158
13. HATX 1162
14. HATX 1176
15. HATX 1187
16. HATX 1194
17. HATX 1201
18. HATX 1204
19. HATX 1209
20. HATX 1257
21. HATX 1262
22. HATX 1263
23. HATX 1265
24. HATX 1283
25. HATX 1294

CMA